

August 31, 2012

Mrs. Jocelyn Boyd Chief Clerk/Administrator South Carolina Public Service Commission 101 Executive Center Dr., Suite 100 Columbia, South Carolina 29210

Dear Mrs. Boyd:



Progress Energy Carolinas' ("PEC") last general rate case was in 1988 in Docket No. 1988-11-E. The Commission's Order No. 88-864 issued in that proceeding required PEC to file quarterly earnings reports based on the Commission's findings in that proceeding containing:

- 1) System Rate of Return on Rate Base Exhibit A1
- 2) South Carolina Rate of Return on Rate Base Exhibit A2
- 3) Return on Common Equity (Allocated to South Carolina Retail) Exhibit B
- 4) Earnings Per Share on Progress Energy Common Stock \$1.44
- 5) Debt Coverage Ratio or Earnings to Fixed Charges 3.00 times

In compliance with the ORS's request, PEC submits its quarterly earnings report for the 12 months ended June 30, 2012 on a per books and as adjusted basis using jurisdictional allocations based on 2011 data. Also included is a verification of the report.

Attached is a copy of this report, which I request that you stamp and return to me. If you have any questions or concerns, please call me at 919-546-2559

Sincerely,

Mongo 1.5 to M. Scott Foster

Manager - PEC Regulatory & Property Accounting

Progress Energy Service Company

c: John Flitter

Enclosure

RECEIVE

CERTIFICATION

(Certification must be signed by the Chief Executive Officer)

I, Lloyd M. Yates, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2012 financial results, copies of which can be obtained at http://www.sec.gov/edgar.

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WAR HOLTON TARLE AND TARLE	Lloyd M. Yates President & Chief Executive Officer
HOTARL HOLTON	Progress Energy Carolinas, Inc.
	8/3//12 Date Signed
AUBLIV CO.	Date Signed
PUBLIC PUBLIC	
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Subscribed and Sworn to before me this 31 day of August, 2

Notary Public 12/22/2016

CERTIFICATION

I, Steven K. Young, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2012 financial results, copies of which can be obtained at http://www.sec.gov/edgar.

Steven K. Young
Steven K. Young
VP - Chief Accounting Officer & Controller

8/29/12
Date Signed

Subscribed and Sworn to before me this 29 day of August , 2012.

**Real Notary Public My Commission Expires: October 24, 2014

PROGRESS ENERGY CAROLINAS SC QUARTERLY REPORT PER BOOKS AND ADJUSTED COS STUDY FOR THE TEST YEAR ENDED JUNE 30, 2012

SYSTEM TOTAL - ELECTRIC OPERATIONS

	D1D120. 1010			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS	
(1)	(2)	(3)	(4)	
(2)	\$	\$	\$	
ET OPERATING REVENUE	4,502,171,209	-	4,502,171,209	
PERATING EXPENSE:				
ET O&M EXPENSES	3,068,242,353	47,126,147	3,115,368,500	
EPRECIATION	528,361,775	21,347,603	549,709,378	
AXES (OTHER THAN INCOME)	212,937,790	1,529,439	214,467,229	
NCOME TAX - STATE	25,496,004	(18,730,654)	6,765,350	
NCOME TAX - FEDERAL	(85,708,773)	7,434,953	(78,273,820	
ROV. FOR DEFERRED TAXES	258,651,100	40,933,381	299,584,481	
NVESTMENT TAX CREDIT	(5,730,936)	-	(5,730,936	
OTAL OPERATING EXPENSE	4,002,249,313	99,640,869	4,101,890,182	
NCOME FOR RETURN:				
PERATING INCOME	499,921,896	(99,640,869)	400,281,027	
USTOMER GROWTH	1,583,870	(315,686)	1,268,184	
NTEREST ON CUST. DEPOSITS	(7,394,192)	-	(7,394,192	
ARRIS DEFERRAL AMORT.	-	-	**	
OTAL INCOME FOR RETURN	494,111,574	(99,956,555)	394,155,019	
ATE BASE:				
LANT IN SERVICE:	10 330 300 030	010 500 475	10 551 010 405	
ELECTRIC PLANT IN SERVICE	18,339,382,930	212,529,475	18,551,912,405	
PLANT HELD FOR FUTURE USE	18,154,570	(01 249 (02)	18,154,570	
RESERVE FOR DEPRECIATION	(9,223,551,157)	(21,347,603)	(9,244,898,760	
ET PLANT IN SERVICE	9,133,986,343	191,181,873	9,325,168,216	
UCLEAR FUEL INVENTORY	476,775,374		476,775,374	
EFERRED TAXES - LIB. DEPR.	(2,000,767,933)	145,884,286	(1,854,883,647	
EGULATORY ASSETS ORKING CAPITAL:	1,015,968,387	(145,884,286)	870,084,101	
MATERIALS & SUPPLIES	796,316,561	(23,634,706)	772,681,855	
CASH WORKING CAPITAL	444,765,701	-	444,765,701	
UNCLAIMED REFUNDS	128	=	128	
PREPAYMENTS	19,495,048	-	19,495,048	
TAX ACCRUALS	(30,915,213)	-	(30,915,213	
CUSTOMER DEPOSITS	(120,065,752)	-	(120,065,752	
	(742,522,819)	-	(742,522,819	
OPERATING RESERVES	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
	(15,426,868)	age.	(15,426,868	
OPERATING RESERVES		-	(15,426,868	
OPERATING RESERVES CUSTOMER ADVANCES FOR CONSTR.	(15,426,868) - 351,646,786	(23,634,706)		
OPERATING RESERVES CUSTOMER ADVANCES FOR CONSTR. UNAMORTIZED PROJECTS	(15,426,868)		-	

PROGRESS ENERGY CAROLINAS SC QUARTERLY REPORT PER BOOKS AND ADJUSTED COS STUDY FOR THE TEST YEAR ENDED JUNE 30, 2012

S.C. RETAIL TOTAL - ELECTRIC OPERATIONS

PROV. FOR DEFERRED TAXES INVESTMENT TAX CREDIT (641,719) (761,719) (761,7		S.C. RETAIL TOTAL - ELECTRIC OPERATIONS				
(1) (2) (3) (4) (4) (5) (8) (8) (1) (4) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1		PER BOOKS	ADJUSTMENTS			
\$ \$ \$ NET OPERATING REVENUE 520,573,228 - 520,573,228 OPERATING EXPENSE: NIT OAM EXPENSES 360,099,484 5,469,037 365,568,521 DEPERCITATION 64,908,779 2,372,015 67,280,794 TAXES (OTHER THAN INCOME) 16,388,331 156,072 16,544,403 INCOME TAX - STATE 1,135,129 153,514 1,288,644 INCOME TAX - FEDERAL (7,951,583) 591,098 (7,360,485) FROV. FOR DEFFERED TAXES 30,991,288 4,733,485 35,724,773 INVESTMENT TAX CREDIT (641,719) TOTAL OPERATING EXPENSE 464,929,709 13,475,221 478,404,929 INCOME FOR RETURN: OPERATING INCOME 55,643,519 (13,475,221 42,168,299 CUSTOMER GROWTH 17,385 (4,210) 13,175 INTEREST ON CUST. DEPOSITS (599,224) - (599,224) HARRIS DEFERRAL AMORT. TOTAL INCOME FOR RETURN 55,061,680 (13,479,431) 41,582,250 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 2,111,497,725 23,637,941 2,135,135,666 PLANT HELD FOR FUTURE USE 2,019,186 - 20,19,186 RESERVE FOR DEPERCATION (1,064,481,047) (2,418,997) (1,066,000,044) NET PLANT IN SERVICE 1,049,035,864 21,218,944 1,070,254,808 NUCLEAR FURL INVENTORY 53,894,578 - 53,894,578 NUCLEAR FURL INVENTORY 53,894,578 - 53,894,578 NUCLEAR FURL INVENTORY 53,894,578 - 53,894,578 NUCLEAR FURL INVENTORY 53,894,578 - 53,894,579 NURSHING CAPITAL: MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 - 53,205,386 CUNCLAINED REFUNDS 69 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) OPERATING RESERVES (84,855,916) - (2,014,935) UNAMORPIZED PROJECTS - (2,014,935) - (2,014,935) UNAMORPIZED PROJECTS - (2,014,935) - (2,014,935) TOTAL WORKING CAPITAL 29,704,057 (2,671,662) 27,032,395 TOTAL WORKING CAPITAL 29,704,057 (2,671,662) 27,032,395			(3)	(4)		
OPERATING EXPENSE: NRT OAM EXPENSES 360,099,484 5,469,037 365,568,521 DEPERCIATION 64,908,779 2,372,015 67,280,794 TAXES (OTHER THAN INCOME) 16,388,331 156,072 16,544,403 INCOME TAX - STATE 1,135,129 153,514 1,288,643 INCOME TAX - FEDERAL (7,551,593) 591,098 (7,360,485) FROV. FOR DEFERRED TAXES 30,991,288 4,733,485 35,724,773 INVESTMENT TAX CREDIT (641,719) - (641,719) TOTAL OPERATING EXPENSE 464,929,709 13,475,221 478,404,929 INCOME FOR RETURN: OPERATING INCOME 55,643,519 CUSTOMER GROWTH 17,385 4(,210) 13,175 INTEREST ON CUST. DEPOSITS (599,224) - (599,224) HARRIS DEFERRAL AMORT	,	, .	• •			
NET OAM EXPENSES 360,099,484 5,469,037 365,568,521 DEPRECIATION 64,908,779 2,372,015 67,280,794 12AXES (OTHER THAN INCOME) 16,388,331 156,072 16,544,403 INCOME TAX - STATE 1,135,129 153,514 1,288,643 INCOME TAX - FEDERAL (7,951,583) 591,098 (7,366,485) PROV. FOR DEFERRED TAXES 30,991,288 4,733,485 35,724,773 INVESTMENT TAX CREDIT (641,719) - (641,719) (6	NET OPERATING REVENUE	520,573,228	-	520,573,228		
DEPRECIATION 64,908,779 2,372,015 67,280,794 TAXES (OTHER THAN INCOME) 16,388,331 156,072 16,544,403 INCOME TAX - STATE 1,135,129 153,514 1,288,631 INCOME TAX - FEDERAL (7,951,583) 591,098 (7,360,485) PROV. FOR DEFERRED TAXES 30,991,288 4,733,485 35,724,773 INVESTMENT TAX CREDIT (641,719) - (641,719) TOTAL OPERATING EXPENSE 464,929,709 13,475,221 478,404,929 INCOME FOR RETURN: OPERATING INCOME 55,643,519 (13,475,221) 42,168,299 CUSTOMER GROWTH 17,385 (4,210) 13,175 INTEREST ON CUST. DEPOSITS (599,224) - (599,224) HARRIS DEFERRAL AMORT TOTAL INCOME FOR RETURN 55,061,680 (13,479,431) 41,582,250 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 2,111,497,725 23,637,941 2,135,135,666 PLANT HELD FOR PUTURE USE 2,019,186 - 2,019,186 RESERVE FOR DEPRECIATION (1,064,481,047) (2,418,997) (1,066,900,044) NET PLANT IN SERVICE 1,049,035,864 21,218,944 1,070,254,808 NUCLEAR FUEL INVENTORY 53,894,578 DUELERRED TAXES - LIB. DEPR. (256,512,826) 16,637,519 (33,875,307) REGULATORY ASSETS 137,785,724 (16,225,533) 121,550,191 WORKING CAPITAL: MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) UNAMORTIZED PROJECTS UNAMORTIZED PROJECTS (2,014,935) TOTAL RATE BASE 1,013,907,397 18,959,268 1,032,866,665	OPERATING EXPENSE:					
TAXES (OTHER THAN INCOME) 16,388,331 156,072 16,544,403 INCOME TAX - STATE 1,135,129 153,514 1,288,643 INCOME TAX - FEDERAL (7,951,583) 591,098 (7,360,485) FROV. FOR DEFERRED TAXES 30,991,288 4,733,485 35,724,773 (641,719) (641,719) (641,719) (641,719) (641,719) (641,719) (641,719) (641,719) (641,719) (641,719) (641,719) (7,360,485) INVESTMENT TAX CREDIT (641,719) (7,360,485)	NET O&M EXPENSES	360,099,484	5,469,037	365,568,521		
INCOME TAX - STATE	DEPRECIATION	64,908,779	2,372,015	67,280,794		
INCOME TAX - FEDERAL (7,951,583) 591,098 (7,360,485) FROV. FOR DEFERRED TAXES 30,991,288 4,733,485 35,724,773 (641,719) (641,719) (641,719) (641,719) (641,719) (641,719) (641,719) (641,719) TOTAL OPERATING EXPENSE 464,929,709 13,475,221 478,404,929 INCOME FOR RETURN: OPERATING INCOME 55,643,519 (13,475,221) 42,168,299 (USTOMER GROWTH 17,385 (4,210) 13,175 (599,224) (599,224) (599,224) (599,224) (599,224) (599,224) (599,224) (7,360,485) (7,360,48	TAXES (OTHER THAN INCOME)	16,388,331				
PROV. FOR DEFERRED TAXES 30,991,288	INCOME TAX - STATE	1,135,129	153,514	1,288,643		
INVESTMENT TAX CREDIT (641,719) - (641,719) TOTAL OPERATING EXPENSE 464,929,709 13,475,221 478,404,929 INCOME FOR RETURN: OPERATING INCOME 55,643,519 (13,475,221) 42,168,299 CUSTOMER GROWTH 17,385 (4,210) 13,175 INTEREST ON CUST. DEPOSITS (599,224) - (599,224) HARRIS DEFERRAL AMORT	INCOME TAX - FEDERAL	(7,951,583)	591,098	(7,360,485)		
TOTAL OPERATING EXPENSE 464,929,709 13,475,221 478,404,929 INCOME FOR RETURN: OPERATING INCOME 55,643,519 (13,475,221) 42,168,299 CUSTOMER GROWTH 17,385 (4,210) 13,175 INTEREST ON CUST. DEPOSITS (599,224) - (599,224) HARRIS DEFERRAL AMORT		30,991,288	4,733,485	35,724,773		
INCOME FOR RETURN: OPERATING INCOME 55,643,519 CUSTOMER GROWTH 17,385 (4,210) 13,175 INTEREST ON CUST. DEPOSITS (599,224) - (599,224) ARRIS DEFERRAL AMORT. TOTAL INCOME FOR RETURN 55,061,680 (13,479,431) 41,582,250 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE PLANT HELD FOR FUTURE USE 2,019,186 RESERVE FOR DEPRECIATION (1,064,481,047) (2,418,997) (1,066,900,044) NET PLANT IN SERVICE 1,049,035,864 21,218,944 1,070,254,808 NUCLEAR FUEL INVENTORY 53,894,578 DEFERRED TAXES - LIB. DEPR. (256,512,826) 16,637,519 (239,875,307) REGULATORY ASSETS 137,785,724 WORKING CAPITAL: MATERIALS & SUPPLIES 82,641,004 CASH WORKING CAPITAL 53,205,386 UNCLAIMED REFUNDS 689 PREPAYMENTS 2,241,051 TAX ACCRUALS (3,553,856) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 29,704,057 18,959,268 1,032,866,665	INVESTMENT TAX CREDIT	(641,719)	-	(641,719)		
OPERATING INCOME 55,643,519 (13,475,221) 42,168,299 CUSTOMER GROWTH 17,385 (4,210) 13,175 INTEREST ON CUST. DEPOSITS (599,224) - (599,224) HARRIS DEFERRAL AMORT	TOTAL OPERATING EXPENSE	464,929,709	13,475,221	478,404,929		
CUSTOMER GROWTH 17,385 (4,210) 13,175 INTEREST ON CUST. DEPOSITS (599,224) - (599,224) HARRIS DEFERRAL AMORT	INCOME FOR RETURN:					
CUSTOMER GROWTH 17,385 (4,210) 13,175 INTEREST ON CUST. DEPOSITS (599,224) - (599,224) HARRIS DEFERRAL AMORT	OPERATING INCOME	55,643,519	(13,475,221)	42,168,299		
INTEREST ON CUST. DEPOSITS (599,224) - (599,224) HARRIS DEFERRAL AMORT	CUSTOMER GROWTH					
HARRIS DEFERRAL AMORT. TOTAL INCOME FOR RETURN 55,061,680 (13,479,431) 41,582,250 RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE PLANT HELD FOR FUTURE USE (2,019,186 RESERVE FOR DEPRECIATION (1,064,481,047) (2,418,997) (1,066,900,044) NET PLANT IN SERVICE 1,049,035,864 21,218,944 1,070,254,808 NUCLEAR FUEL INVENTORY 53,894,578 DEFERRED TAXES - LIB. DEPR. (256,512,826) 16,637,519 (239,875,307) REGULATORY ASSETS 137,785,724 (16,225,533) 121,560,191 WORKING CAPITAL: MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 UNCLAIMED REFUNDS 689 PREPAYMENTS 2,241,051 TAX ACCRUALS (3,553,856) CUSTOMER DEPOSITS (17,959,366) OPERATING RESERVES (84,855,916) CUSTOMER DEPOSITS (17,959,366) OPERATING RESERVES (84,855,916) CUSTOMER DEPOSITS (17,959,366) OPERATING RESERVES (84,855,916) CUSTOMER DAVANCES FOR CONSTR. (2,014,935) UNAMORTIZED PROJECTS TOTAL WORKING CAPITAL 29,704,057 18,959,268 1,032,866,665	INTEREST ON CUST. DEPOSITS	(599,224)	· -	(599,224)		
RATE BASE: PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 2,111,497,725 23,637,941 2,135,135,666 PLANT HELD FOR FUTURE USE 2,019,186 - 2,019,186 RESERVE FOR DEPRECIATION (1,064,481,047) (2,418,997) (1,066,900,044) NET PLANT IN SERVICE 1,049,035,864 21,218,944 1,070,254,808 NUCLEAR FUEL INVENTORY 53,894,578 - 53,894,578 DEFERRED TAXES - LIB. DEPR. (256,512,826) 16,637,519 (239,875,307) REGULATORY ASSETS 137,785,724 (16,225,533) 121,560,191 WORKING CAPITAL: MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 - 53,205,386 UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	HARRIS DEFERRAL AMORT.	**		-		
PLANT IN SERVICE: ELECTRIC PLANT IN SERVICE 2,111,497,725 23,637,941 2,135,135,666 PLANT HELD FOR FUTURE USE 2,019,186 - 2,019,186 RESERVE FOR DEPRECIATION (1,064,481,047) (2,418,997) (1,066,900,044) NET PLANT IN SERVICE 1,049,035,864 21,218,944 1,070,254,808 NUCLEAR FUEL INVENTORY 53,894,578 - 53,894,578 DEFERRED TAXES - LIB. DEPR. (256,512,826) 16,637,519 (239,875,307) REGULATORY ASSETS 137,785,724 (16,225,533) 121,560,191 WORKING CAPITAL: MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 - 53,205,386 UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	TOTAL INCOME FOR RETURN	55,061,680	(13,479,431)	41,582,250		
ELECTRIC PLANT IN SERVICE 2,111,497,725 23,637,941 2,135,135,666 PLANT HELD FOR FUTURE USE 2,019,186 - 2,019,186 RESERVE FOR DEPRECIATION (1,064,481,047) (2,418,997) (1,066,900,044) NET PLANT IN SERVICE 1,049,035,864 21,218,944 1,070,254,808 NUCLEAR FUEL INVENTORY 53,894,578 - 53,894,578 DEFERRED TAXES - LIB. DEPR. (256,512,826) 16,637,519 (239,875,307) REGULATORY ASSETS 137,785,724 (16,225,533) 121,560,191 WORKING CAPITAL: 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 - 53,205,386 UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS - - - </td <td>RATE BASE:</td> <td></td> <td></td> <td></td>	RATE BASE:					
PLANT HELD FOR FUTURE USE RESERVE FOR DEPRECIATION (1,064,481,047) (2,418,997) (1,066,900,044) NET PLANT IN SERVICE 1,049,035,864 21,218,944 1,070,254,808 NUCLEAR FUEL INVENTORY 53,894,578 DEFERRED TAXES - LIB. DEPR. (256,512,826) NORKING CAPITAL: MATERIALS & SUPPLIES CASH WORKING CAPITAL UNCLAIMED REFUNDS PREPAYMENTS CUSTOMER DEPOSITS CUSTOMER DEPOSITS CUSTOMER DAVANCES FOR CONSTR. UNAMORTIZED PROJECTS TOTAL RATE BASE 1,013,907,397 18,959,268 1,032,866,665		2.111.497.725	23.637.941	2.135.135.666		
RESERVE FOR DEPRECIATION (1,064,481,047) (2,418,997) (1,066,900,044) NET PLANT IN SERVICE 1,049,035,864 21,218,944 1,070,254,808 NUCLEAR FUEL INVENTORY 53,894,578 - 53,894,578 DEFERRED TAXES - LIB. DEPR. (256,512,826) 16,637,519 (239,875,307) REGULATORY ASSETS 137,785,724 (16,225,533) 121,560,191 WORKING CAPITAL: MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 - 53,205,386 UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) UNAMORTIZED PROJECTS						
NET PLANT IN SERVICE 1,049,035,864 21,218,944 1,070,254,808 NUCLEAR FUEL INVENTORY 53,894,578 - 53,894,578 DEFERRED TAXES - LIB. DEPR. (256,512,826) 16,637,519 (239,875,307) REGULATORY ASSETS 137,785,724 (16,225,533) 121,560,191 WORKING CAPITAL: MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 - 53,205,386 UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS				(1,066,900,044)		
NUCLEAR FUEL INVENTORY 53,894,578 - 53,894,578 DEFERRED TAXES - LIB. DEPR. (256,512,826) 16,637,519 (239,875,307) REGULATORY ASSETS 137,785,724 (16,225,533) 121,560,191 WORKING CAPITAL: MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 - 53,205,386 UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	NET PLANT IN SERVICE	1,049,035,864	21,218,944			
DEFERRED TAXES - LIB. DEPR. (256,512,826) 16,637,519 (239,875,307) REGULATORY ASSETS 137,785,724 (16,225,533) 121,560,191 WORKING CAPITAL: MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 - 53,205,386 UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	NUCLEAR FUEL INVENTORY					
REGULATORY ASSETS 137,785,724 (16,225,533) 121,560,191 WORKING CAPITAL: MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 CASH WORKING CAPITAL 53,205,386 - 53,205,386 UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	DEFERRED TAXES - LIB. DEPR.		16,637,519	(239,875,307)		
WORKING CAPITAL: MATERIALS & SUPPLIES CASH WORKING CAPITAL UNCLAIMED REFUNDS PREPAYMENTS CUSTOMER DEPOSITS CUSTOMER ADVANCES FOR CONSTR. UNAMORTIZED PROJECTS TOTAL RATE BASE MATERIALS & SUPPLIES 82,641,004 (2,671,662) 79,969,342 689 - 53,205,386 - 689 - 689 - 689 - 2,241,051 - 2,241,051 - 3,553,856) - (3,553,856) - (17,959,366) - (17,959,366) - (17,959,366) - (84,855,916) - (84,855,916) - (2,014,935) - (2,014,935) - TOTAL WORKING CAPITAL 1,013,907,397 18,959,268 1,032,866,665	REGULATORY ASSETS		(16,225,533)	121,560,191		
CASH WORKING CAPITAL 53,205,386 - 53,205,386 UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	WORKING CAPITAL:					
UNCLAIMED REFUNDS 689 - 689 PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	MATERIALS & SUPPLIES	82,641,004	(2,671,662)	79,969,342		
PREPAYMENTS 2,241,051 - 2,241,051 TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	CASH WORKING CAPITAL	53,205,386	•	53,205,386		
TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	UNCLAIMED REFUNDS	689	_	689		
TAX ACCRUALS (3,553,856) - (3,553,856) CUSTOMER DEPOSITS (17,959,366) - (17,959,366) OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	PREPAYMENTS	2,241,051	-	2,241,051		
OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS	TAX ACCRUALS					
OPERATING RESERVES (84,855,916) - (84,855,916) CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS		(17,959,366)	-			
CUSTOMER ADVANCES FOR CONSTR. (2,014,935) - (2,014,935) UNAMORTIZED PROJECTS			-			
TOTAL WORKING CAPITAL 29,704,057 (2,671,662) 27,032,395 TOTAL RATE BASE 1,013,907,397 18,959,268 1,032,866,665	CUSTOMER ADVANCES FOR CONSTR.		-			
TOTAL RATE BASE 1,013,907,397 18,959,268 1,032,866,665		- 29,704.057	- (2,671,662)	27,032.395		
RATE OF RETURN (%) 5.43 4.03	TOTAL RATE BASE	1,013,907,397	18,959,268	1,032,866,665		
	RATE OF RETURN (%)	5.43		4.03		

PROGRESS ENERGY CAROLINAS S.C. QUARTERLY REPORT S.C. RETAIL - RETURN ON COMMON EQUITY FOR THE TEST YEAR ENDED JUNE 30, 2012

"PER BOOKS"

	TOTAL COMPANY CAPITALIZATION				NET	
	AMOUNT	RATIO	S.C. RETAIL RATE BASE	RATE EARNED	OPERATING INCOME	
DESCRIPTION	\$	* 	\$	* 	\$	
(1)	(2)	(3)	(4)	(5)	(6)	
LONG-TERM DEBT	5,184,813,624	49.86%	505,534,228	4.53%	22,900,701	
PREFERRED STOCK	59,333,982	0.57%	5,779,272	5.33%	308,035	
COMMON EQUITY	5,154,082,140	49.57%	502,593,897	6.34%	31,852,945	
TOTAL CAPITALIZATION	10,398,229,746	100.00%	1,013,907,397		55.061.680	

"ADJUSTED"	

CAPITALIZATION					NET	
DESCRIPTION	AMOUNT \$	RATIO %	S.C. RETAIL RATE BASE \$	RATE EARNED %	OPERATING INCOME \$	
(1) LONG-TERM DEBT	(2) 5,184,813,624	(3) 50.43%	(4) 520,874,659	(5) 4.53%	(6) 23,595,622	
PREFERRED STOCK	59,333,982 5,037,760,033	0.58% 48.99%	5,990,627 506,001,379	5.33% 3.49%	319,300 17,667,328	
TOTAL CAPITALIZATION	10,281,907,639	100.00%	1,032,866,665	3.470	41,582,250	

TOTAL COMPANY